



Land Tenure Center

COUNTRY EXPERIENCE IN LAND ISSUES

DOMINICA

by

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EXECUTIVE SUMMARY

Dominica is the largest island in the OECS sub-region. Its area of 751 Km² supports a population of 70,000. Upwards of 70% of the land is covered by Forests, which are very well preserved. Indeed Dominica deservedly retains the title of “Nature Isle of the Caribbean”

Dominica remains an agricultural economy in spite of the fact that the contribution of Agriculture to GDP has declined significantly from 38% in 1977 to 17.4% in 2001. Export earnings drive the economy of Dominica and primary exports from the Agricultural sector have accounted for about 50% of total export earnings (1998-2000). A significant proportion of the workforce (31%) is self-employed and the vast majority of the self-employed operate in the agriculture sector.

Land follows agriculture in its importance to the productive base of the economy. About 30% of the total land area is considered arable (i.e. 58,537 acres), and of this total about 53% is currently used for agriculture. However with the implementation of a strategy to replace agriculture with eco-tourism, the dependence on the natural resources increases significantly.

Dominica places a very high priority on the conservation of its forest reserves. There are three national parks and two forest reserves. The Trois Piton National Park has been declared a World Heritage site by the United Nations because of the abundance of natural phenomena (water falls, boiling lake, diverse species of flora and fauna) found within its boundaries.

With the exception of the forest reserves (36% of which are privately owned) most of the land in Dominica is privately owned. Two systems for legally registering ownership of land in Dominica exist side by side. They are the Title by Registration Act and the Deeds registration under the Conveyancing and Law of Property Act. Once land is brought onto the Register under the Title by Registration Act it remains on the books. There are also unregistered lands, particularly State Land. However in the case of a State Land Grant, the recipient is entitled to convert the Grant into a Certificate of Title under the Title by Registration Act.

The regulatory regime for the control of uses of land is within the domain of the Planning and Development Corporation. This unit uses the staff of the Physical Planning Division to execute planning permission functions. 88% of land development permits are for residential purposes and officials estimate about 25% of building structures are non-authorized activity. There is no national land-use zoning plan for Dominica.

The original people of Dominica, The Caribs, collectively own and control a Grant of 3,700 acres of land. This land is held “communally” according to Carib land traditions, with the Carib Council effectively deciding its allocation and use. This form of tenure clashes with the requirements of commercial lending institutions for a demonstration of exclusive ownership before offering to provide investment capital.

Land use plays an important role in the development strategy of Dominica. One suggestion being considered is to create a “Land Bank” which would seek to make lands available for the most appropriate uses. Given the fact that most of the arable land is privately owned, this proposal would require significant improvements in the organization of land information as well as in the functioning of the Land-lease market.

1. INTRODUCTION

1.1. Background

Dominica is the largest island (land mass) in the OECS and also in the Eastern Caribbean. Its area of 751 km² supports a population of approximately 70,000 persons. In spite of its natural growth rate, outward migration has kept the population constant for the last decade. Among all the Caribbean island States, Dominica has the lowest population density (96 persons per km²).¹

Between 60 and 75 percent of the land is covered by forest, much of it on steep slopes. The mountainous interior rises to about 1,422m with very heavy annual rainfall levels (4,000 – 10,000 mm per annum). Dominica's rainforest has been the least exploited, hence the tag "Nature Island of the Caribbean"

Table 1: Basic Data on Dominica

| | | | |
|---|--------|-----------------------------------|---------|
| Population (Year 2000) | 70,000 | Real GDP (EC \$million) 2000 | \$266.6 |
| Urban Population | 71% | GDP Growth Rate (Avg. 96-'01) | 1.7% |
| Rural Population | 29% | Agriculture (% of GDP) 2000 | 18.5% |
| Population Density (1998) per sq.km | 96 | Total Area (Sq. Kms) | 195,129 |
| Life expectancy | 76.2 | Arable Land (acres) | 58,537 |
| Infant mortality (per '000 live births) | 14.3 | Land used for Agriculture (acres) | 31,631 |
| Poverty Rate | 33% | Agriculture Land as % Total area | 16% |

Source: Central Statistical Office. OECS Human Development Report 2000.

1.2. Economic Performance

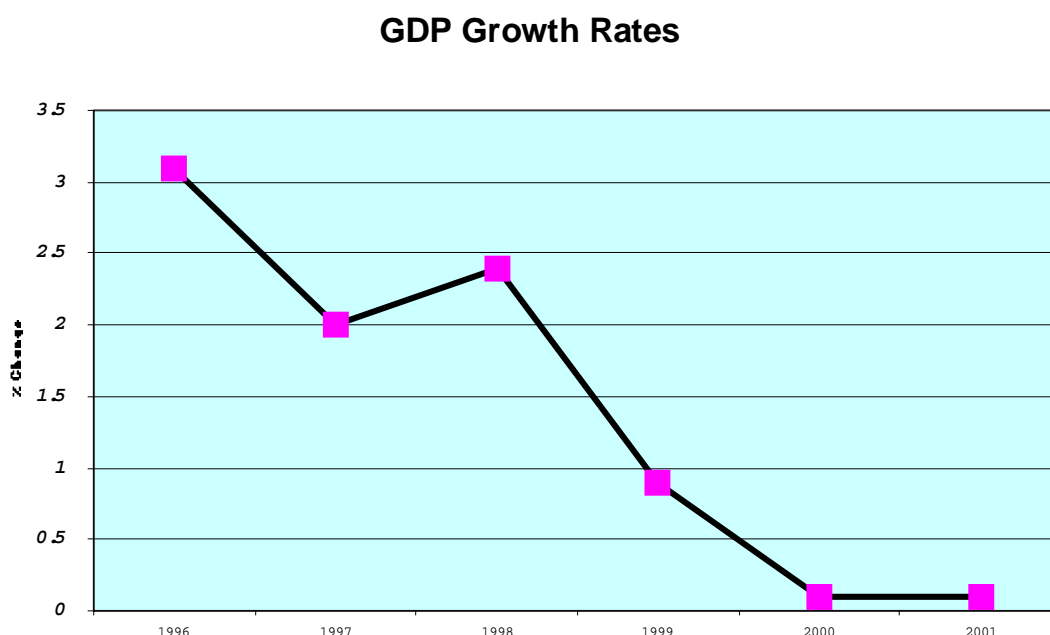
Dominica continues to be an agricultural economy in spite of the fact that the agriculture sector's share in GDP declined from 38% in 1977 to 17.4% in 2001. It is true that the manufacturing sector (8% of GDP) currently generates more export earnings than does Agriculture, and the Tourism sector generates even larger earning than either of the two. Nonetheless, it is the Agricultural sector which involves such a broad base of economic resources that its effects are felt immediately at a national level. In the 1991 Census, 30% of the economically active population was recorded as having agriculture as their primary activity.

The Labour Force Survey of 1997 puts the total workforce at 33,418 of which 26% is considered unemployed. The private sector accounts for 44.3% of the employed workforce with self-employed accounting for 31.9%. It is Agriculture in general and Banana production in particular accounts for a significant proportion of the self-employed and the employed.

The overriding concern in Dominica has been the decline in economic growth. Though the average annual growth rate of GDP was 5.28% over the 1986-90 period, growth fell in the subsequent five years (1991-1995) to an average annual rate of 2.25% . This trend of decline continued over the last five years of the last decade (1996-2000), when the average annual growth rate was 1.9%. More

¹ Cuba at 87.6 persons per sq. km is the lowest density.

alarming still, recent reports² suggest that the level of economy activity continued to decline in 2001, with a 4% drop in real GDP..



1.3. The Economic Challenge

The traditional dynamism in the leading sectors has been significantly tempered. The Agricultural Sector, which has fuelled economic growth through the export of bananas, has been reduced from 38% of GDP in 1977 to 17.4% of GDP in 2001. The manufacturing sector makes a valuable contribution (although based on the performance of one company). The Tourism sector weakened in 2000 (2% decline) and 2001 (1.3% decline) and for the first time in at least a decade, the number of stay-over visitors seemed to have declined³.

The impetus for growth in the economy of Dominica comes from foreign exchange earnings from exports and from national and foreign savings used as investment funds. The challenge to Dominica is two-fold. The first is to utilize its human and natural resources to increase the productivity and export potential of both its Agricultural and Tourism sectors. The second is to maintain the integrity of its natural resources, particularly its forest reserves while still attracting domestic and foreign investment funds.

² Economic Stabilisation Programme for Dominica prepared by the Ministry of Finance & Planning, ECCB and CDB, March 2002. p.4

³ Comparison of Stay over visitors Jan – Sept indicate 51,714 in 2001 compared with 52,207 in 2000.

2. LAND AND THE ECONOMY

2.1. Land Resource

The National Motto of Dominica “Apres Bon Dieu c’est la Terre” (after God there is the Land) reflects quite accurately the position of land resources in the Dominican economy. The major use of land in Dominica is in Forestry (75,543 acres). Sixty-four percent of the Forests are owned by the State with the remainder in private hands. Agricultural use is limited to about 32,000 acres.

Table 2: Land Use

| Land use | Acres | % of Total |
|---------------------------|--------|------------|
| Forestry | 75,543 | |
| ..of which State lands | 48,080 | 64% |
| .. of which Private lands | 23,714 | 36% |
| Agriculture | 31,631 | |

Source: Central Statistical Office: Ministry of Agriculture

Dominica places high priority on the conservation of its forest reserves. Protected areas comprise about 20% of the total land area. There are three National parks and two Forest Reserves. Dominica is also in the unique position of having 3,782 acres ceded to the Carib people, the original inhabitants of the island. Land within this Territory is held under a “communal” title by the Carib Council, which grants permission for use to individual members.

Table 3: Protected Land Areas of Dominica

| National Parks | Hectares |
|-------------------------------------|----------|
| The Cabrits National Park | 550 |
| The Morne Trois Piton National Park | 6,879 |
| The Morne Diablotin National Park | 3,335 |
| | |
| Forest Reserves | |
| The Northern Reserve | 5,490 |
| The Central Reserve | 410 |

Source: Ministry of Agriculture, Central Statistical Office

3. ASSESSMENT OF EXPERIENCES

3.1. Land Administration

Two systems for legally providing and transferring title to land exist in Dominica. Dominica has had a Title by Registration Act, Chapter 56:50 enacted since 1883. This system of land registration coexists with the system of Deeds registration governed by the Conveyancing and Law of Property Act, Chap. 54:01 and the Registration of Records Act, Chap 54:04.

The Title by Registration Act (TbyR) is based on what is known as the “Torrens System”. Essentially it means that all legal rights must be registered on the Title

to be protected. The major result is that once land is brought onto the Register it stays on the Register, although not necessarily under the name of the original proprietor.

The registration of titles has increased significantly in the last five (5) years from 953 in 1998 to 1,221 in 2002

Table 4: Record of Title Registration (1998-2002)

| Year | Total |
|-------------|--------------|
| 1998 | 953 |
| 1999 | 1,426 |
| 2000 | 1,369 |
| 2001 | 986 |
| 2002 | 1,221 |

Source: Registrar's Office

Unregistered land can be legally be transacted in Dominica through the Conveyancing and Law of Property Act and the Registration of Records Act. However, the Commercial Banks reinforce the Title by Registration as the acceptable evidence of ownership.

The two systems do have a beneficial use with respect to State lands. The State Grant is a mechanism whereby the State distributes State lands not yet registered. However, the grantee has the option of converting the State Grant into a Certificate of Title without paying the necessary fees. In this way, State land Grants can be brought onto the Register of Titles to the benefit of the grantee.

3.2. Regulatory Control of Land Use

In Dominica the Planning and Development Corporation exercises the regulatory control of land use. This is a statutory body that meets monthly to approve subdivision of lands and to rule on other land use plans. The Corporation itself does not have any staff and relies on the staff of the Physical Planning Division of the Ministry of Finance to administer development control.

In the 1989-1995 period the average annual number of permits issued was 551. In the subsequent 7 year period (1995-2001) the average permits was 424, a decline of 24%. This is attributed to the downturn in the economy. 88% of the development permits are issued for residential purposes.

Sub-division of agricultural lands is exempt from planning permission. There is a Land Management Authority, which is supposed to regulate the subdivision of state lands. As a practical matter however, this institution is not functional.

Table 5: Development Activity in Dominica 1989-2001

| Year | Applications received | Permits issued |
|-------------|------------------------------|-----------------------|
| 1989 | 697 | 561 |
| 1990 | 668 | 555 |
| 1991 | 602 | 541 |
| 1992 | 595 | 543 |
| 1993 | 691 | 556 |
| 1994 | 625 | 588 |
| 1995 | 543 | 517 |
| 1996 | 556 | 403 |
| 1997 | 503 | 424 |
| 1998 | 490 | 413 |
| 1999 | 490 | 390 |
| 2000 | 521 | 432 |
| 2001 | 478 | 391 |

Source: Physical Planning Division, "Construction Activity in Dominica, 2001 in review". Table 1

The Physical Planning Division estimates that about 25% of building structures are non-authorized activity. This occurs especially if the client has his own resources and considers the planning process to be too time consuming. If, however, the commercial banks were involved, they would require evidence of a building permit.

The new Physical Planning Act 2002 is aimed at bringing a more comprehensive approach to physical planning and development of land. The Act introduces a schedule for planning permission, which would require that Environmental Impact Assessments accompany some applications. The Act also requires the Corporation to obtain advice from other agencies such as the Forestry Department, Fisheries, DOWASCO (the water authority) and the Environment Health department.

4. LAND ISSUES

4.1. Access to Land

Private land ownership is more widespread in Dominica than in other OECS territories such as Antigua & Barbuda, although the distribution of land is uneven. 74% of the farming population own parcels of land of 5 acres or less, but they account for only 23% of the agricultural land. At the other extreme, 1.3% of the farming population control about 35% of the agricultural land in parcels exceeding 50 acres.

State lands remain the primary source of land distribution. The State Lands Act vests the power to dispose of state lands by grant, sale, exchange or lease in the

President.. This power to grant lands is usually exercised on the advice of a Minister. However, a complication arises in this exercise of this power, because the advice can come from any line Minister under whose portfolio the land will be put to use. Consequently, although Land matters are within the portfolio of the Minister of Agriculture, other Ministers can also exercise this power to advise on the grant of land.

There is no national land-use zoning plan in Dominica. As lands are identified for specific purposes these, they acquire the status of being zoned for that specific land use. Thus urban and rural settlements and several former estates acquired by Government (Geneva Estate, Castle Bruce Estate and Melville Hall) are some of the areas subject to specific use. The lack of zoning has allowed many unsuitable areas to be used for farming while more suitable agricultural areas are underutilized.

4.2. Communal-held Lands

The Caribs of Dominica occupy the Carib Territory comprising 3,700 acres, which was granted to the Carib Community in 1987 through the Carib Reserve Act, Chap. 25:90. The Act vests the parcel of land in the Carib Council and recognizes their land traditions as applicable. As such the land is owned by the entire Carib nation, and the Carib Council grants permission for use to individuals.

The Act provides for the election of a Carib Chief and a Carib Council. The Council acts as the custodian of the land and may demarcate, apportion, allot or exchange lands in the Territory to persons who it recognizes as members of the Community.

Although the Act provides for the issue of a Grant of the lands to the Carib Council, this grant has never been converted into a Certificate of Title. The Central Government still retains the responsibility for the overall development and planning in the Territory.

4.3. Land Taxation

There is no tax on land in Dominica although there is a tax on houses. However when land is transferred there is a tax on the appreciated value, calculated as the difference between the original purchase price and the current selling price of the land. This tax can be avoided by selling land by deed of conveyance but there is no evidence that this practice is widespread.

4.4. Land Information

Land information is not organized in any systematic manner in Dominica. Information is scattered around the many agencies exercising power in land administration and land management. Government has under consideration a “Land Bank” proposal, which would seek to make the lands available for the most

appropriate uses. The proposal has serious and complicated legal ramifications because most of the land is freehold.

For state lands, the issue is simpler because such land can be leased or sold directly by Government. With private lands, however, the Land Bank proposal will require the development of a vibrant land-lease market in which private landowners can register their property for lease through the Land Bank programme. It is within this context that a national land database/GIS will improve the functioning of the Land Bank on a national scale.

4.5. Natural resource Management

Environmental protection is an important issue in Dominica because the natural environment forms an important component of the Tourism product. The National Parks and Protected Areas Act of 1975 (Chap 42:02) was enacted to provide for the creation and maintenance of national parks and other protected areas. Two were created at the time of the passage of the Act. They are the Morne Trois Piton national Park and the Cabrits National Park. A third park, the Morne Diablotin National park was created in January 2000. The Marine environment is also considered a national tourism asset and the Scots Head Soufriere Marine Reserve was created in 1999 under the Fisheries Act (Chap 61:02).

5. CONCLUSION

The commitment of the Government of Dominica to promote Eco-tourism as an alternative income and employment generation sector requires a strategy that balances conservation objectives with efforts to improve the quality of life of the citizens and contribute to the diversification of the economy. Land use becomes an important component of such a strategy.

The issues of land access and the viability of small agricultural enterprise become inseparable from those of diversification of the economy and poverty reduction. With one of the lowest population density in the OECS sub-region and with an effective legislative framework to protect its natural resources, Dominica needs to develop the institutional capacity to administer a vibrant land market serving its various development needs.